Circulation of fake currency notes

*407. SHRI SATISH PRADHAN: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Police has arrested the cashier of Memon Co-operative Bank, Mumbai, for bringing into market fake currency notes of Rs. 500/-;

(b) whether this has any connection with drug mafia gang in which Director of the above Bank was arrested;

(c) whether ISI is involved in this matter; and

(d) what steps Government propose to take to stop such incidents?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) Yes, Sir. Reserve Bank of India (RBI) has reported that as per report received from the Memon Co-operative Bank Ltd., an Assistant Cashier-cum-Junior Clerk of the bank had been arrested by the Mumbai Police in June, 2001 for circulating fake currency notes of Rs. 500/- (Rupees Five Hundred) denomination.

(b) and (c) The matter is being investigated by Mumbai Police.

(d) The Union Government has taken a number of steps to curb the circulation of fake currency notes which, *inter-alia*, include setting up a special unit in the Central Bureau of Investigation for exclusive investigation of counterfeit currency notes, scaling up vigilance by the Border Security Force/Custom Authorities to prevent smuggling of such currency notes into the country, incorporation of special security features in higher denomination notes and dissemination of information on security features through print media and Doordarshan for benefit of public. Further, a High Level Technical Committee of Experts with representatives from Ministry of Home Affairs, National Security Council Secretariat, Reserve Bank of India and the Printing Presses has been constituted for examining the whole gamut of problem caused by circulation of fake currency notes.